

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3192-01
BILL NO.: HB 1400
SUBJECT: Creates the Transportation Volunteer Insurance Fund
TYPE: Original
DATE: February 4, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Transportation Volunteer Insurance	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds*	\$0	\$0	\$0

* Unknown revenues and costs expected to offset each other.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health, Office of State Treasurer, Department of Insurance, Department of Mental Health, Department of Transportation** assume that this proposal will not fiscally affect their agencies.

Officials from the **Department of Revenue (DOR)** stated the Office of Administration - Division of Budget and Planning will estimate the effect on the General Revenue Fund. The proposal will not fiscally impact the DOR.

Officials from the **Office of Administration** assume this proposal will not fiscally affect their agency.

Officials from the **Office of Secretary of State (SOS)** stated this proposal would have an unknown impact to the SOS. The Board's authority to prescribe rules and regulations is not expressly subject to the provisions of Chapter 536 and, therefore, it is unclear whether such rules will be submitted for publication in the *Missouri Register* and *Code of State Regulations*.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Social Services - Division of Aging (DA)** believes there would be no significant fiscal impact upon the DA as a result of this proposal. Section 208.277 provides for the Department of Social Services, or another state agency specifically determined by the Board, to be reimbursed from the fund for providing required staff for the Board.

Oversight assumes the Board of Trustees of the Transportation Volunteer Insurance Fund (Board) would collect fees sufficient to cover costs of administering the Volunteer Insurance Fund. Such administration costs would include any personnel services provided by the Department of Social Services or any other state agency and costs incurred by the Board members to attend the quarterly meetings. The costs for running the Volunteer Insurance Fund cannot be reasonably estimated. As a result, Oversight will present unknown revenues and unknown costs charged to the Transportation Volunteer Insurance Fund which are intended to offset one another.

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<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
TRANSPORTATION VOLUNTEER INSURANCE FUND			
<u>Revenue - Board of Trustees for the Transportation Volunteer Insurance Fund</u> Fees	Unknown	Unknown	Unknown
<u>Costs - Board of Trustees for the Transportation Volunteer Insurance Fund</u> Staff Costs, Professional Contracts, Board Members Meeting Expenses, and Liability Payments	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON TRANSPORTATION VOLUNTEER INSURANCE FUND*	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

*** Unknown revenue and unknown costs expected to offset each other.**

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal establishes a special trust fund, the "Transportation Volunteer Insurance Fund," to provide insurance coverage for volunteers who transport the elderly and disabled. "Volunteer transportation service" is defined as any service in which the volunteer uses his or her personal vehicle, or a vehicle owned and licensed by certain nonprofit organizations, for the purpose of providing transportation for disabled or elderly adults.

Qualifying nonprofit organizations include the area agencies on aging, senior centers, churches, senior housing developments, nursing homes, long-term care facilities, civic groups, health clinics, and hospitals. Nonprofit organizations sponsoring volunteer transportation services and wishing to participate in the insurance fund must complete and submit an application, with appropriate application fee, to the 7-member board of trustees.

The board is comprised of the directors of the departments of Social Services, Health, and Insurance, or their designees, and 4 citizens appointed by the Governor with the advice and consent of the Senate. Two of the 4 appointees must operate a volunteer transportation service, and the 2 remaining members are to represent the elderly and disabled at large. The Department of Social Services will provide staff resources for the administration of the fund, unless another state agency is specified by the board, and is to be compensated for all costs incurred for staff support. The board is to prescribe rules and regulations for the fiduciary management of the fund, and may reinsure all or a part of the fund's liability.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Office of State Treasurer
Department of Social Services
Department of Health
Department of Insurance
Department of Mental Health
Office of Secretary of State
Department of Transportation
Office of Administration



Jeanne Jarrett, CPA
Director
February 4, 2000